

## Efficiency Plan – Crawley Borough Council

The Council's Efficiency Plan for the period 2016/17 to 2019/20 incorporates the detail contained within the Medium Term Financial Strategy (MTFS) including its Capital Strategy and the Budget and Council Tax Report 2016/17.

These are framed by the overarching Vision and the Council Transformation plan

The key outcomes for the Council are:

- Balancing the budget
- Making housing more affordable
- Delivering better job opportunities
- Building a stronger community
- Developing our economy
- Providing for leisure and culture
- Protecting our local environment
- Improving health and wellbeing
- Changing the way we work

The MTFS has a three-year budgeting approach, which means that each year we will work towards balancing the budget over a three year period with a Strategy for income generation, efficiencies and savings; this includes putting back into reserves when the Budget is in surplus. In 2016/2017 we were able to do this and transferred £432,000 to our capital programme reserve for future investment in the Town.

The publication of four year funding allocations as part of the 2016/17 settlement has greatly assisted the Council in updating the MTFS and complements our strategic approach to the planning and delivery to balancing the budget.

The MTFS takes into account major issues affecting the Council's finances, national and regional economic influences as well as local factors and priorities. It identifies risks and looks to mitigate those risks through provisions within reserves and balances to ensure the council has adequate resources to cover the uncertainty and risk. This MTFS forms part of the base assumptions for developing the overall budget, together with unavoidable service pressures agreed by the Cabinet and the Council's Management Team (CMT) that need to be taken into account in the overall budget deliberations.

The MTFS recognises the key role that financial resources play in the future delivery of services, and enabling the effective planning, management and delivery of those services. A sustainable MTFS is therefore key to the effective delivery of the Council's overall aims of achieving better outcomes for residents.

The table below summarises the projected revenue position over the four year settlement period. These figures are from the MTFS, these are however before the European referendum.

Additional income, savings and efficiencies in excess of £1m have already been identified and included in the above projections from 2017/18 and are included in the MTFS.

|                             | 2016/17<br>£'000s | 2017/18<br>£'000s | 2018/19<br>£'000s | 2019/20<br>£'000s |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| Base budget                 | 15,590            | 15,586            | 16,103            | 16,492            |
| Investment interest         | (1,118)           | (1,356)           | (1,593)           | (1,818)           |
| Net budget                  | 14,472            | 14,230            | 14,510            | 14,674            |
| Funded by:                  |                   |                   |                   |                   |
| Council Tax                 | 6,386             | 6,502             | 6,605             | 6,709             |
| New Homes Bonus             | 1,881             | 1,244             | 1,059             | 977               |
| Retained Business Rates     | 4,280             | 4,386             | 4,495             | 4,608             |
| Section 31 Grant*           | 582               | 597               | 612               | 627               |
| Revenue support Grant       | 1,775             | 1,036             | 575               | 59                |
| <b>Budget Gap (surplus)</b> | <b>( 432)</b>     | <b>465</b>        | <b>1,164</b>      | <b>1,694</b>      |

The MTFS also approved that items for the Capital Programme are driven by the need for the upkeep of council assets and environmental obligations and schemes will also be considered that are spend to save or spend to earn. There has been significant investment in spend to earn as part of our Transformation Programme which has seen over investment of over £14m of our capital resources in properties around the Borough, this has given us over 7% return on these investments. We have set aside a further £5 for further investment in property acquisitions.

Cabinet and CMT are working together to look at ways of addressing the Gap.

The approach to addressing this gap can be broadly seen below, we have delivered £7.4m over the last five years:

### **Transformation Plan -**

1. Generating income
2. Redesigning services from the **customers perspective** using systems thinking
3. Making sure support services support the front line services efficiently
4. Developing our staff

### **Some of our approaches**

1. Business as usual - monitoring and budget reviews throughout the year, identifying savings during the year that can be ongoing, a copy of our [Budget Monitoring Quarter 1](#) report shows underspends that will be ongoing into future years, this will provide in excess of £0.5m towards future gaps.
2. Shared services including [Procurement](#), audit, building control.
3. Investigating all opportunities for generating income to the council to replace reducing Government funding, including a programme of purchasing investment properties. Investigating the provision of a [District Heat Network](#) and selling services to other organisations; for example a fraud service to local registered social landlords.
4. Savings from [Procurement](#) on our contracts, this will include relooking at what is included in the contract and what changes to specifications we are

prepared to make. Our leisure services contract will be retendered within this four year period.

5. Town Hall – the council is looking at options to redevelop the [Town Hall](#) site, as it is underutilised, costly to run and there are opportunities not only to make significant savings in running costs but also to provide around 200 residential units on the Town Hall site.
6. Digital - The Council aims for its customers to have an ability to self-serve, online, at a time that suits them, while ensuring that the requisite support is available for customers who do not have the skills or means to interact with us digitally.

The 'Digital' programme will be pursued in two elements. The first will initially focus on 'digitising' high volume, high cost services in order to drive efficiencies through the automation of process and enhanced levels of integrated workflow solutions resulting in less use of paper. The second element will build on this fundamental step to position the Council as a 'digital' organisation by facilitating better integration of services across departments, ensuring better and more seamless customer journeys.

These initiatives will enable the Council to operate a leaner structure, whilst also delivering savings in third party spend (with contractors and suppliers) and assets (such as property and office accommodation). These will be through enabled reductions in facility requirements, customer contact structures.

## **Conclusion**

The Council's efficiency plan is challenging and ambitious. Its delivery will improve the Council's income and make savings against its expenditure.

The Efficiency plan was approved by the leader of the council under delegated authority and has been published on the Council's website.